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OF COUNSEL
WILLIAM G. CONLY

July 10, 2006

Honorable James H. Welsh
Commissioner of Conservation
State of Louisiana
Post Office Box 44275
Baton Rouge, Louisiana 70804-4275

Re: APPLICATION FOR PUBLIC HEARING

Sligo Formation, Reservoir A, BEAR CREEK FIELD,
Bienville Parish, Louisiana.

Dear Sir:

EL PASO E&P COMPANY, L.P. ("Applicant"), hereby respectfully applies for a public hearing to consider evidence relative to the issuance of an Order pertaining to the following matters relating to the Sligo Formation, Reservoir A, in the Bear Creek Field, Bienville Parish, Louisiana:

1. To permit Applicant to drill, designate and utilize an alternate unit well for SLI RA SUB at the location shown on the attached plat, in exception to the spacing provisions of Office of Conservation Order No. 78-X, effective December 1, 1979.
2. To find that an alternate unit well for SLI RA SUB is necessary to efficiently and economically drain a portion of the Sligo Formation, Reservoir A, underlying SLI RA SUB which cannot be efficiently and economically drained by any existing well within the unit.
3. To provide that the gas allowable provisions of Statewide Order No. 29-F (LAC 43:XIX.2101 et seq.), should not apply to the proposed alternate unit well, or to any other horizontal wells drilled to the Sligo Formation, Reservoir A, but that all such wells should be given an allowable based on the maximum efficient rate (MER) of the well, being the maximum sustainable daily withdrawal rate from the reservoir which will permit economical development and reservoir depletion without causing waste.
4. To permit the operator of SLI RA SUB to produce the allowable assigned to this unit from either the unit well, the alternate unit well, or from a combination of such wells, at the option of the operator.
5. To consider such other matters as may be appropriate and justified by the evidence presented at the hearing.

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The Sligo Formation, Reservoir A, in the Bear Creek Field, Bienville Parish, Louisiana, was defined in Office of Conservation Order No. 78-X, effective December 1, 1979.

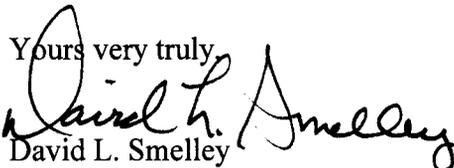
Any pertinent data concerning this application will be available for inspection at the offices of Louis Gilbert & Associates, Inc., 3636 N. Causeway Boulevard, Suite 204, Metairie, Louisiana 70002-7216. Any person desiring to inspect any such data should call Mr. Louis Gilbert at (504) 834-8112 during normal business hours in order to arrange a date and time for such inspection. A copy of any such pertinent data which is not otherwise available from the records of the Louisiana Office of Conservation can be obtained from Applicant at the expense of the requesting party.

As provided by the Revised Rules of Procedure, the subject matter of this application does not require the issuance of a pre-application notice; therefore, no such notice has been issued.

Pursuant to the aforesaid Rules of Procedure, Applicant has made a reasonable effort to obtain the names and addresses of all Interested Owners, Represented Parties and Interested Parties to whom notice of this application is being sent and has attached hereto a list of the names and addresses of such parties. A copy of this letter and of the attached plat is being sent to the District Manager of the Shreveport District of the Office of Conservation and to each of the Interested Owners, Represented Parties and Interested Parties shown on the attached list.

Applicant will provide for posting of a copy of the Legal Notice of this hearing, and of the enclosed plat, at a prominent place in the area affected and will cause publication of the Legal Notice in a newspaper published in the general area of Bear Creek Field, all in accordance with the Revised Rules of Procedure. Furthermore, a copy of the Legal Notice will be mailed to all Interested Owners, Represented Parties and Interested Parties promptly upon receipt of the Legal Notice from the Commissioner.

A check payable to the Office of Conservation and covering the application fee is enclosed.

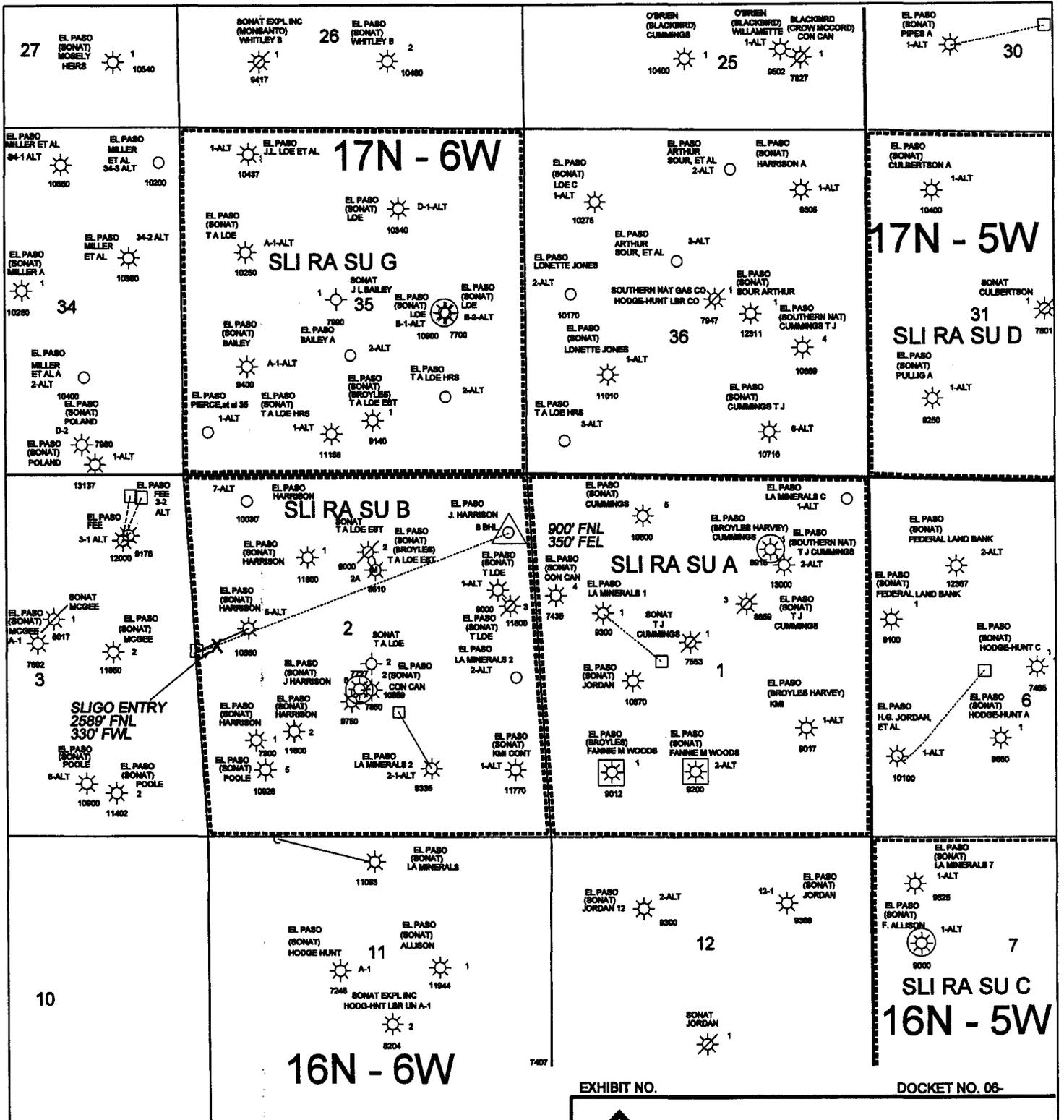
Yours very truly,

David L. Smelley

-- Attorney for El Paso E&P Company, L.P.

DLS:dp

Enclosures

cc: Mr. Jim Broussard (w/encls.)
Mr. Chad Shaw (w/encls.)
Mr. Louis Gilbert (w/encls.)
Interested Owners, Represented
Parties and Interested Parties (w/plat only)



LEGEND

-  SLIGO FORMATION, RESERVOIR A UNITS, AS PER 78-X SERIES OF ORDERS
-  UNIT WELL
-  ALTERNATE UNIT WELL
-  PROPOSED ALTERNATE UNIT WELL
- WELLS 6500' OR SHALLOWER REMOVED FROM BASE**

EXHIBIT NO. DOCKET NO. 06-

 Onshore Development
Houston, Texas

BEAR CREEK FIELD
BIENVILLE PARISH, LOUISIANA

PROPOSED ALTERNATE UNIT WELL PLAT
SLI RA SU B

0 1000 2000 3000

LOUIS GILBERT & ASSOCIATES, INC.